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महत्वपूर्ण सरकारी आज्ञायें।
Industries and Commerce (Group-1) Department
Notification
Jaipur, February 19, 2025

F.5(16)Ind/Gr-1/2025/05907 :-

Rajasthan Data Centre Policy 2025

1. Preamble

As an acknowledgement of the crucial role that data centres play in cloud computing, colocation, content delivery, as well as large-scale applications and more the Government of Rajasthan hereby establishes this 'Rajasthan Data Centre Policy 2025'.

Rajasthan Government recognizes the increasing importance of data centres for assisting businesses in storing, distributing, and interpreting data using a range of hardware and software tools that enable IT departments to manage data effectively and maintain the overall IT infrastructure.

The Government understands that cloud technology has revolutionized the function of data centres by offering modern organizations access to applications, workloads, and other virtualized resources hosted remotely by third-party providers. This transition from on-premises data centres to cloud-native services has fundamentally altered the operational landscape. Hence, organisations can now scale their IT resources as needed and avoid the substantial upfront costs of building and maintaining their data centres. Additionally, cloud providers deliver advanced security measures and disaster recovery solutions, ensuring that business data always remains secure and accessible.

This policy proclaims the commitment of the government to foster a promotive regulatory environment to attract investment and accelerate data centre expansion in Rajasthan. This policy includes several key initiatives such as recognising data centres as essential services, and special provisions in building bylaws.

In pursuit of the above-stated principles, the Government of Rajasthan hereby promulgates Rajasthan Data Centre Policy 2025, aiming to harness the full potential of the data centre sector and make Rajasthan a preferred destination for establishing data centres.

2. Introduction

The data centre market encompasses designing, building, and managing facilities that store process, and handle vast amounts of digital data. These data centres house various infrastructures including servers, networking equipment, storage systems, power and supply, and cooling, ensuring secure and efficient data operations for organizations across various sectors.

The data market is driven by the rising demand for cloud computing, big data analytics, and digital transformation initiatives. Key players include technology companies, real estate developers, and service providers, all of whom contribute to the ongoing development of data centre infrastructure. Their efforts are essential in meeting the growing needs of the digital age and ensuring the uninterrupted delivery of critical digital services across industries.

2.1. Data Centre Glossary

Many types of data centres and service models are available depending on whether they are owned by one or many organizations, how they fit into the topology of other data centres, the technologies they use and their energy efficiency.

2.1.1. IT Load Capacity

The IT load capacity refers to the amount of energy consumed by servers and network equipment placed in a rack installed. It is measured in megawatts (MW).

2.1.2. Absorption Rate

The extent to which the data centre capacity has been leased out. For instance, if a 100 MW DC has leased out 75 MW, then the absorption rate also referred to as utilization rate and leased-out capacity would be 75%.

2.1.3. Data Centre Infrastructure

Enterprise data centre infrastructure falls into three broad categories.

- a. Computing Infrastructure** includes servers such as Blade Servers, Rack Servers etc.
- b. Storage Infrastructure** has 2 types of DC storage systems - Block storage devices and File storage devices.
- c. Networking Support Infrastructure** includes Power subsystems, UPS, Backup Gensets, Cooling equipment, Fire suppression systems, Building security systems etc.
- d. Civil Infrastructure** including the building to host the IT infrastructure, power and cooling facilities.

2.1.4. Raised Floor State (RFS)

A raised Floor State (RFS) is a space that is built on the floor. This gap between the original floor and the elevated floor is used to accommodate wiring, cooling, and other data centre equipment and is measured in square feet.

2.2. Data Centre Classifications

2.2.1. Colocation Type

This segment is segregated into 3 categories namely Retail, Wholesale and Hyperscale Colocation service and respective IT load.

- a.** Retail has a leased capacity of less than 250 kW
- b.** Wholesale has leased capacity above 250 kW up to 4 MW
- c.** Hyperscale has a leased capacity of more than 4 MW.

2.2.2. End Consumer

The Data Centre Industry carries out its operations on a Business-to-Business (B2B) basis. BFSI, Government, Media and Entertainment, E-Commerce, Telecom and Communication are the major end-consumers.

2.2.3. Data Centre Functional Categories

Data centres can be classified based on several functionalities:

- a. Ownership:** Whether they are owned by a single organization or shared among multiple entities.
- b. Topology and Integration:** How they fit into the broader network of data centres and their connectivity.
- c. Technologies:** The computing and storage technologies they utilize, ranging from traditional hardware to virtualized or software-defined environments.
- d. Energy Efficiency:** Their strategies and technologies for optimizing energy consumption to reduce environmental impact.

These classifications provide insights into how data centres are designed, operated, and enhanced to meet diverse organizational requirements and industry standards, particularly concerning energy efficiency.

Enterprise Data Centres are constructed, owned, and managed by organizations, tailored to their specific end-user needs, often located within their corporate campuses.

Colocation Data Centres provide infrastructure such as buildings, cooling systems, bandwidth, and security, while the company manages its servers, storage, firewalls, and other equipment within that space.

Cloud Data Centres are located off-premises and are operated by cloud service providers. These facilities host data and applications for users, offering scalability, flexibility, and managed services over the Internet.

2.2.4. Infrastructure Standard Rating

TIA-942 is a telecommunications infrastructure standard for data centres, but it also addresses other crucial aspects that contribute to a robust data centre. Compliance with this standard is evaluated across four key categories:

- a.** Architecture (Including fire safety, physical security, site location etc.)
- b.** Electrical
- c.** Mechanical
- d.** Telecommunications

Additional areas of evaluation include operational management, health and safety. Each category is assessed and assigned a Rating Level from 1 to 4, with an overall Rating Level given to the data centre as well.

2.2.5. Data Centre Tier System

When organizations consider migrating their critical business applications and services to a data centre, they evaluate the 'tiering standard' to measure the data centre's hosting capabilities. Globally acknowledged data centre rating/tiering systems are as per TIA 942/ uptime standards.

The Uptime Institute introduced the concept of data centre tiering, categorizing data centres into four tiers that assess their availability and system redundancy:

a. Tier 1

A Tier 1 data centre has a single power and cooling path with minimal redundancy or backup components. It offers an expected uptime of 99.671%, which translates to roughly 28.8 hours of downtime per year.

b. Tier 2

A Tier 2 data centre features a single power and cooling path but includes some redundant and backup components. Its anticipated uptime is 99.741% translating to approximately 22 hours of downtime per year.

c. Tier 3

A Tier 3 data centre has multiple power and cooling pathways, allowing for system updates and maintenance without interruptions. It achieves an expected uptime of 99.982 per cent, equivalent to approximately 1.6 hours of downtime per year.

d. Tier 4

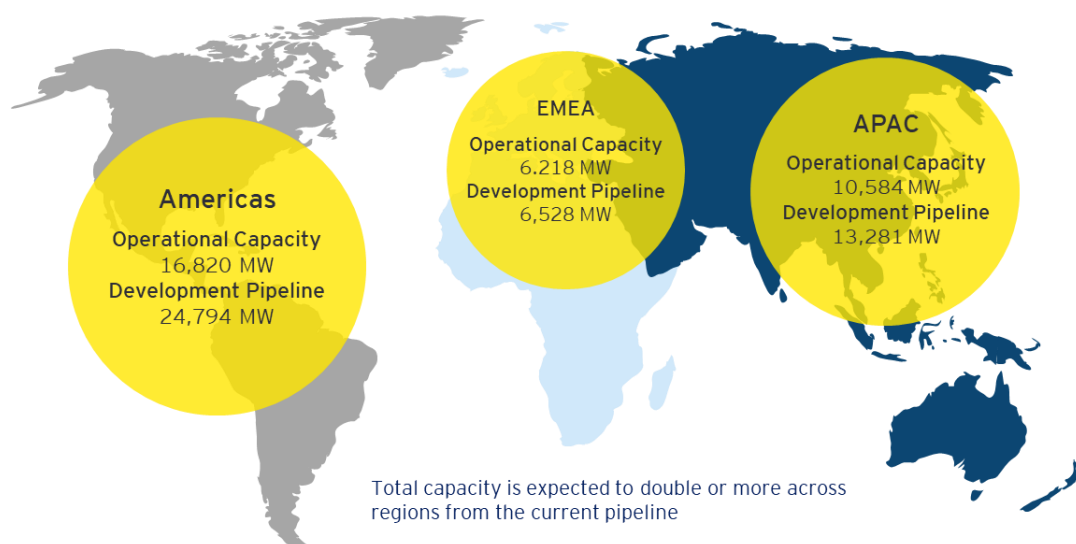
Tier 4 data centre is designed to be fully fault-tolerant, featuring redundancy at every level of its infrastructure. This exceptional level of reliability leads to an anticipated uptime of 99.995 per cent, which translates to only about 26.3 minutes of downtime each year.

2.3. Data Centre Market**2.3.1. Global Market Scenario**

The global Data Centre Services Market size is expected to grow from USD 98 bn in 2023 to USD 243 bn by 2028, at a CAGR of 20% during the period 2023-2028. The following are the driving factors for such growth:

- a.** Emerging cloud technology in data centres is fuelling the demand. Cloud technology is more flexible as it can be accessed with different devices and offers high speed.
- b.** Due to increased demand for online retail or e-commerce, customers want more personalized data.
- c.** High mobile data use due to increased apps, and growing internet usage has resulted in organizations shifting to cloud data storage across the world.
- d.** Owing to the COVID-19 outbreak, users worked from home (WFH) due to which data centres, cloud services, and online backups became vital.
- e.** Billions of Internet-connected devices generate large amounts of data, which must be recorded, processed, stored, and retrieved. With the development of IoT and Industry 4.0, the industry relies on big data centres for data analytics.

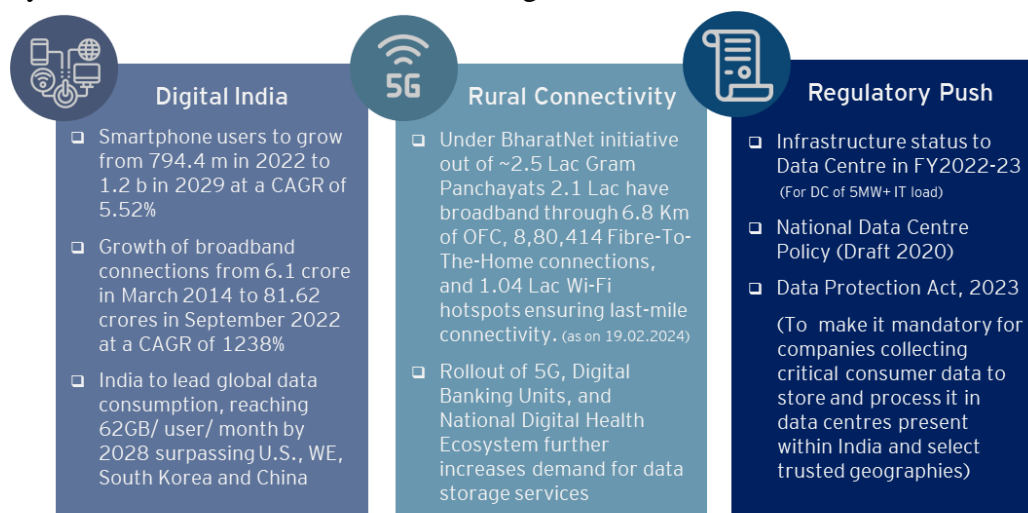
Global Data Centre Market 2023-24



2.3.2 India Market Scenario

India has experienced significant growth in data centre capacities over the past three years, fuelled by an exponential increase in data consumption, a supportive regulatory framework, and substantial investments in the sector. This has positioned India as one of the fastest-growing data centre markets in the APAC region.

The India data centre market is projected to have a capacity of 2,000 MW in 2024, expected to grow to more than 4,000 MW by 2029 at a CAGR of 15%. The market is also anticipated to generate colocation revenue of USD 1.2 bn in 2024, reaching USD 3.5 bn by 2029, with a CAGR of 19.00% during 2024 and 2029.



Driving Growth Factors in India for DC Services

2.4. Opportunities for Data Centre in Rajasthan

Data centres are predominantly concentrated in the top 7 Tier-1 cities such as Mumbai-Navi Mumbai, Chennai, Delhi-NCR, Bengaluru, Pune, Hyderabad, and Kolkata, which collectively contribute over 95% of the installed capacity. However, there is a growing trend towards decentralizing data centre infrastructure to better serve a distributed user base across India.

Rajasthan presents excellent opportunities for constructing greenfield data centres due to its abundant available space, renewable energy sources, and forward-thinking policy provisions. Expansions into Tier 2, 3, and 4 cities are expected to support the low-latency requirements of 5G and AI applications that necessitate real-time processing and analysis for faster decision-making.

The following are the key factors that will drive the presence of data centres in Tier 2 & Tier 3 cities:

- 2.4.1. Reduced Latency** is one of the primary drivers behind the surge of edge data centres in Tier 2 cities since it is critical to minimize latency.
- 2.4.2.** As applications and services are increasingly dependent on real-time data processing, the **Geographical Proximity** of data centres to end-users becomes crucial.
- 2.4.3. Data Localization** fuelled by a growing emphasis on data security and privacy mandates the data centres, to be present strategically positioned in smaller cities so that sensitive data can be kept within defined geographic boundaries. This localized approach not only ensures compliance with data sovereignty rules but also aligns with businesses prioritizing data integrity and security.
- 2.4.4. eGovernance and Public Services** delivery through online mode will require enhanced Data Centre capacity. The government will explore the option of procuring Data Centre services through Public-Private-Partnership (PPP) mode to:
 - a.** Capitalize on the construction and operation efficiency of the private sector.
 - b.** Reduce project risk and financial burden on the public sector.
 - c.** Ensure proper and sustainable service delivery to the public as a whole.

As these cities experience a surge in digital adoption, driven by improved internet connectivity, government initiatives, and the proliferation of smartphones, the demand for data services has soared. Sectors such as e-commerce, healthcare, education, and fintech, which are expanding into Tier 2 and Tier 3 cities, are recognizing the need for robust data infrastructure.

3. Scope of the Policy

"Data is the New Oil & Data Centres the New Oil Wells"

In our vision, we see a future where Rajasthan is the destination of choice for both International and domestic data centre players by providing all the specific requirements, facilities and an attractive business environment.

3.1. Policy Period

‘Rajasthan Data Centre Policy 2025’ shall come into force with effect from the date of its notification and shall remain valid until March 31, 2029, or till the notification of a new or revised policy, whichever is earlier.

3.2. Nodal Department

The Industries and Commerce Department will be the nodal department for processing the applications for incentives under this policy and coordinating with various state departments or its agencies for facilitating other benefits that will be extended in the policy.

3.3. Focus Infrastructure

3.3.1. Data Centre Parks

3.3.2. Data Centre Units

3.4. Policy Objectives

Rajasthan Data Centre Policy 2025 envisages developing a world-class data centre ecosystem in the state by attracting investments from international and national data centre players.

This policy aims to achieve:

3.4.1. An installed capacity of 300 MW of Data Centres in Rajasthan in the next 5 years.

3.4.2. Attract investment of INR 20,000 Cr in the Data Centre sector.

3.4.3. Develop 5 dedicated Data Centre Parks.

3.4.4. To fulfil the need for Data Localisation for the state.

3.4.5. To position Rajasthan as a cost-effective destination for the Data Centre Sector in India.

3.4.6. To promote startups engaged in developing technologies to support the Data Centre Sector.

4. Definitions

The underlying definitions will provide clarity and understanding to all the stakeholders and set uniformity, for proper interpretation and implementation.

4.1. Data Centre

A **Data Centre (DC)** is a physical facility that organizations use to host their essential applications and data. Its design is built around a network of computing and storage resources that facilitate the delivery of collection, storage, processing, and distribution of large amounts of shared applications and data.

4.2. Data Centre Park

A Data Centre Park is a large, specially designed and developed industrial area that hosts multiple data centres in a single location benefiting from common infrastructure.

4.3. Enterprise

Enterprise” means an industrial undertaking or a business concern or any other establishment by whatever name called, engaged in manufacturing of goods, in any manner, or engaged in providing or rendering of service or services.

4.3.1. Greenfield Unit/ New Enterprise

A ‘Greenfield Unit’ or ‘New Enterprise’ means a new data centre unit established:

- a.** For providing data centre services subject to fulfilling the minimum criteria as mentioned in clause 4.5.1.
- b.** Having separately identifiable books of accounts, depositing the taxes and duties leviable under any state act.
- c.** That has made fresh investments in the state once the said policy has come into force.

4.3.2. Brownfield Unit/ Expansion

A 'Brownfield Unit' or 'Expansion' means:

- a. A data centre enterprise registered in Rajasthan for providing data centre services.
- b. Has separately identifiable books of accounts, depositing the taxes and duties leviable under any State Act including provident fund separately.
- c. Is set to make additional investments to expand data centre installed capacity by a minimum of 2 MW once the said policy has come into force.

4.4. Data Centre Park Developer

An industrial park developer to establish a Greenfield Data Centre Industrial Park for data centre units, responsible for building the common infrastructure facilities and provisions of data centre centric infrastructure i.e. electricity and network connectivity, mechanical, electrical and plumbing equipment (MEP), etc.

4.5. Project Eligibility**4.5.1. Eligible Data Centre Unit**

A Data Centre Unit having an installed capacity of a minimum of 2 MW providing data centre services as defined in Clause 4.1 of this policy making investment as per the following table:

Project Category	EFCI
Large	EFCI of INR 25 Cr. to < INR 100 Cr.
Mega	EFCI of INR 100 Cr. to < INR 250 Cr.
Ultra Mega	EFCI of more than INR 250 Cr.

Table 1: Project Category

4.5.2. Eligible Data Centre Park

A Greenfield Data Centre Industrial Park having a cumulative installed capacity of a minimum of 20 MW spread over at least 3 units.

4.6. Eligible Fixed Capital Investment (EFCI)

Eligible Fixed Capital Investment (EFCI) is the capital investment made in fixed assets as per the following by data centre units:

4.6.1. Land

For the purpose of calculating the EFCI the land price will be taken into consideration as per the actual purchase price mentioned in the 'Registered Sales Deed' in case of private land, or allotment price mentioned in the 'Allotment Letter/ Lease Deed' in case the land is allotted by the state or its agencies or corporations.

Cost of land (excluding stamp duty & registration fees paid) will be considered up to 30% of the project cost, as a land component for the purpose of arriving at the EFCI.

4.6.2. Building

Building means any structure or part thereof meant to be used to provide data centre services. This includes the cost of buildings used primarily to host:

- a. IT environments** comprising computing, storage, processing and network components.
- b. Cooling Infrastructure** including rooftop chillers, liquid immersion cooling, direct-to-chip cooling, or any other emerging technology used for the cooling of heat generated by data centre operations as approved by the Project Approval Committee.
- c. Power Infrastructure** including power sources, power distribution systems, backup power including UPS, DG sets, and cabling.
- d. Monitoring Infrastructure** including Data Centre Infrastructure Management (DCIM) systems, system redundancies, operational SoPs, multi-layered safety systems and processes to maintain uptime and seamless delivery of data and application-related services.
- e.** Prefabricated, containerized, modular structures used in the Data Centre operations will also be considered as part of the building subject to adherence to safety norms and standards.

4.6.3. Data Centre Infrastructure

Cost of acquiring, transporting, foundation, erection, installing, and electrification the equipment for establishing data centre infrastructure including:

- a.** Storage Infrastructure
- b.** Network Infrastructure
- c.** Cloud Infrastructure
- d.** Computing Infrastructure
- e.** Power Supply & back-up Infrastructure
- f.** Cooling Infrastructure
- g.** And/ or any other machinery and equipment used by the data centre unit to fulfil the data centre operations as mentioned in the DPR and approved by the Project Approval Committee.

4.6.4. Renewable Power Plant

- a.** A data centre enterprise investing in captive renewable power plants will be eligible to Include 51% of the said investment in their EFCI. Asset Creation Incentive basis their respective slabs will be applicable on the EFCI.
- b.** Data centre enterprises entering into group captive power agreements (12+ years) shall be eligible to include 100% of their said investment in their EFCI. Asset Creation Incentive basis their respective slabs will be applicable on the EFCI.

4.7. Ineligible Expenditure

Following is the list of expenditures that shall not be covered as part of Eligible Fixed Capital Investment:

- 4.7.1.** Goodwill Fees/ Royalty/ Brokerages/ Commission/ Consultancy Fee paid to purchase Land/ Building/ Equipment/ Plant & Machinery
- 4.7.2.** Commissioning Fees/ Technical Fees/ Consultancy Fees/ Installation Fees for setting up of Equipment/ Plant & Machinery.
- 4.7.3.** Preliminary & Pre-operative Expenses
- 4.7.4.** Interest capitalized
- 4.7.5.** Transportation of Equipment/ Plant & Machinery and Vehicles
- 4.7.6.** Working Capital
- 4.7.7.** Consumables Spares and Store

4.7.8. All Types of Service Charges, Carriage and Freight Charges

4.7.9. Stationary Items

4.7.10. Any expense not specifically expressed as an eligible investment

4.7.11. Any other expense which is not approved by the PAC

4.8. Area Category

4.8.1. Area Category for a Data Centre Enterprise shall be as specified in section 9.3 of RIPS 2024 as 'List of Tehsils Mapped to Area Categories' or any amendments thereof.

4.8.2. A Data Centre Enterprise making an investment across multiple tehsils, the area category for such enterprise shall be determined basis the area category in which it makes the maximum EFCI.

4.9. Eligible Investment Period

4.9.1. Data Centre Unit

The Enterprise shall commence commercial operation during the operative period of the policy unless otherwise specified in the policy.

4.9.2. Data Centre Park

As per the provisions of Private Industrial Park Scheme 2025.

4.10. Commencement of Commercial Operation

4.10.1. New Enterprise

The date on which the enterprise issues the first bill of supply/ invoice/ tax invoice of the services rendered related to the investment made under this policy.

4.10.2. Expansion

For an existing enterprise investing in expansion, the date on which the enterprise issues the first bill of supply/ invoice/ tax invoice of the services rendered after completion of expansion.

4.10.3. Data Centre Park

Completion of a minimum of 80% of the common infrastructure facilities as provided in the DPR and allotment of a minimum of 50% of the saleable area.

4.11. Net Sales Turnover

Net Sales Turnover means the aggregate value of the realisation of the amount made from the sale of services by the enterprise during a financial year. Income from other sources (non-operating activities) like interest received, grants or subsidies, trading activity, and resale of products/goods will not be counted under Net Sales Turnover.

4.12. Letter of Approval (LoA)

Letter of Approval (LoA) will be issued by the Project Approval Committee to the developer upon the approval of the project based on DPR. The LoA will contain the following details:

4.12.1. Approved project cost based on the approved eligible expenses for calculating the incentives payable under this policy.

4.12.2. Approximate quantum of the incentives under various heads under this policy.

4.12.3. Expected timeline for completion of the project.**4.13. Employee**

Employees are the workforce that is on the permanent payroll of the eligible data centre unit subject to fulfilling the following conditions towards consideration of a worker an employee under this policy:

4.13.1. Such worker must have been employed with the employer for at least one year in a financial year.

4.13.2. Such a worker must have a valid ADHAAR.

4.13.3. Such workers must have been enrolled in EPF/ESI.

4.13.4. The salary payment to such worker by the enterprise must be done by direct bank transfer in the bank account.

4.13.5. Support staff like Driver, Security Guard, Sweeper, Peon etc. shall not be considered as an employee for any employee related incentives.

4.14. Term Loan

Eligible term loan means, a loan disbursed to meet the EFCI requirement and taken from State Financial Institutions, Financial Institutions, or Banks recognized by the Reserve Bank of India, RBI recognised non-resident entities having a Loan Registration Number (LRN).

4.15. Applicant

An Applicant in this policy means the entities as defined in clauses 4.3 applying for the benefits and incentives under this policy.

4.16. Detailed Project Report (DPR)

A Detailed Project Report (DPR) is comprehensive blueprint for a project, providing a thorough and in-depth outline of all necessary elements required for its successful completion. It encompasses an exhaustive study of the project describing details of the fixed investment being envisaged in the project, the chosen technology and technological parameters, floor plan, detailed project schedule and any other relevant information of the project. DPR will also include Copy of Quotations for plant and machinery to support the figure of investment in the plant and machinery.

4.17. Designed/ Installed Capacity in Mega Watt

A Megawatt (MW) is equivalent to 1,000 kilowatts. In the data centre industry. Designed/ Installed Capacity in Mega Watt is used to measure the power needs of wholesale colocation customers to support the servers and associated IT hardware.

4.18. Green Solution Areas

Green Solution Areas means all green solution areas defined below, the State reserves the right to add or exclude specific activities within any area, sector or product from time to time as deemed fit:

4.18.1. Environmental Infrastructure Facilities

- a. Establishing Reuse and Recycling of Industrial Waste, electronic waste & plastic waste Plant
- b. Implementation of cleaner technology in place of existing processes such as reduction in water consumption or energy consumption.
- c. For environment management project with use of clean, Efficient and Innovative Pollution Control Equipment
- d. Setting Up of Environment Management System including setting up of Environment Management Laboratory
- e. Purchase of new equipment/system related to safety, occupational health.
- f. Green Buildings which obtain green rating under the Indian Green Building Council (IGBC/LEED Certification)

4.18.2. Water Conservation Solutions

- a. Wastewater treatment and recycling systems using technologies such as Activated
- b. Sludge Process (ASP), Membrane Bioreactors (MBR), Reverse Osmosis (RO), etc. to increase supply and use of treated water.
- c. Smart Solutions/IoT for Water and Wastewater to reduce dependency on manpower, enhance business continuity and remote operations using smart meters/ pumps/ sensors, data analytics, and cloud solutions.
- d. Adopting rainwater harvesting; restoring water bodies by de-silting defunct water bodies within the premises
- e. Zero Liquid Discharge Solutions.

4.19. Startup

Start-Up is an enterprise as defined in Start-up policy of Government of India: G.S.R. 127 (E) dated 19th Feb 2019 and subsequent Office Memorandum issued on 26th July 2022.

4.20. Government/ State

The Government or the State means the Government of Rajasthan.

4.21. Year

Year means financial year (From 1st April to 31st March).

4.22. Policy

Policy means Rajasthan Data Centre Policy 2025.

5. Incentives, Exemptions and Reimbursements**5.1. Financial Incentives for New/ Expansion Data Centre Units****5.1.1. Asset Creation Incentives**

Eligible Enterprises can avail either of the following incentives. The options stated below are mutually exclusive and an eligible Enterprise must make a one-time, irreversible choice while applying for seeking Asset Creation Incentive.

a. Investment Subsidy

Eligible Enterprises can avail a reimbursement of 75% of State tax due and deposited for a period of 7 years with subject to the annual ceiling of INR 10 Cr for the year 1 to 3 and INR 15 Cr for the year 4 to 7.

b. Capital Subsidy

► Eligible Data Centre Enterprises can avail Capital Subsidy based on the project category and area category as outlined in the table below as a fixed percentage of EFCI in annual instalments of 10 years post commencement of commercial production:

Project Category	Area Category 1	Area Category 2	Area Category 3
Large	10% of EFCI	12% of EFCI	14% of EFCI
Mega	12% of EFCI	14% of EFCI	16% of EFCI
Ultra Mega	16% of EFCI	18% of EFCI	20% of EFCI

► Capital Subsidy shall be subject to the annual ceiling of INR 10 Cr for the year 1 to 3, INR 15 Cr for the year 4 to 7 and INR 20 Cr for the year 8 to 10.

► In order to promote the development of Data Centres in the State, the limit for capital subsidy after all applicable boosters and special incentive shall be increased to INR 100 crores annually for 10 years for the first 3 units making a mega or ultra-mega project category investment, provided that such Enterprise choses Capital Subsidy as the Asset Creation Incentive, otherwise the limit remains same for other Asset Creation Incentive.

c. Turnover Linked Incentive

► Eligible Data Centre Enterprises can avail Turnover Linked Incentive based on the project category and area category as outlined in the table below as a fixed percentage of EFCI in annual instalments of 10 years post commencement of commercial production:

Project Category	Area Category 1	Area Category 2	Area Category 3
Large	1.0% of Net Sales Turnover	1.1% of Net Sales Turnover	1.2% of Net Sales Turnover
Mega	1.1% of Net Sales Turnover	1.2% of Net Sales Turnover	1.3% of Net Sales Turnover
Ultra Mega	1.2% of Net Sales Turnover	1.3% of Net Sales Turnover	1.4% of Net Sales Turnover

► Turnover Linked Incentive shall be subject to the annual ceiling of INR 10 Cr for the year 1 to 3, INR 15 Cr for the year 4 to 7 and INR 20 Cr for the year 8 to 10.

5.1.2. Sunrise Incentives

The first three Data Centre units classified as mega or ultra mega projects will be eligible for Sunrise Incentives.

a. 25% Sunrise Booster on the selected Asset Creation Incentives (Capital Subsidy, Turnover Linked Incentive, or Investment Subsidy).

b. 5% Interest Subvention on term loan taken by Enterprise from financial Institutions or State Financial Institutions or Banks recognised by Reserve Bank of India. The loan can be taken for an investment in plant & machinery, for a period of five years subject to a maximum of 2.5% of the EFCI.

c. 100% Banking, Wheeling and Transmission Charges shall be waived off/ reimbursed (for a period corresponding to the disbursement period of the chosen Asset Creation Incentive) for captive power plants set up by eligible Data Centre Units provided the energy generated is used for captive consumption only and no third-party sales are made.

► There shall be a ceiling of 200% on the size of the captive power plant.

► 100% Banking allowed with no restrictions on withdrawals during peak hours.

► For 'behind the meter' RE plants, there should be no ceiling on the maximum capacity of RE generation and ED exemptions should be applicable on perpetuity, provided they do not inject any power into the grid during off-peak hours.

d. Flexible Land Payment facility for the land procured from RIICO by upfront paying 25% of land cost and submitting a Bank Guarantee of the amount equivalent to remaining 75% of the land cost for 3 years. The remaining 75% of the land cost will be paid in 10 annual instalments at an interest rate of 8%.

5.1.3. Exemptions and Reimbursements

a. Exemption from payment of 100% electricity duty for 7 years.

b. 100% exemption on electricity duty to be paid for seven years on the CaptiveRenewable Energy Generation Plants.

c. Exemption from payment of 75% stamp duty and reimbursement of 25% stamp duty.

d. Exemption from payment of 75% conversion charge and reimbursement of 25% conversion charge.

5.1.4. Skill and Training Incentive

a. To improve the skill set of the data centre employee in the field of data centre networking, designing, management, cloud infrastructure, tier specialisation, operations, energy and communication management, etc. data centre units shall be eligible for the reimbursement of 50% of the total cost of employee training, up to a maximum of INR 1 Lac per employee per annum, for maximum 20 employees per Enterprise, as a one-time incentive.

b. In the foregoing, 'training' shall be training from an accredited institution, relevant to the operations & management of such Enterprise. The annual ceilings mentioned in Section 5.1.1 with respect to specific Asset Creation Incentives are inclusive of Skilling & Training Incentive.

5.1.5. Green Solution Incentives

To promote the sustainable development of the Data Centre sector, the state shall provide the 'Green Solution Incentives' in the form of reimbursement of 50% of the cost of environmental projects up to a maximum of INR 12.5 Crores. The state shall decide the appropriate incentive for any emerging technology used for environment protection and sustainable production processes on a case-to-case basis.

5.1.6. Intellectual Property Creation Incentive

For in-house R&D, the government will pay 50% of the cost incurred up to a maximum of INR 1 crore for patent, copyright, trademark, and registration of geographical indicators.

5.1.7. Innovation

The state shall reserve 20 seats in the iStart run Bhamashah Techno Hub and iNests for startups.

5.2. Non-Financial Benefits for Data Centre Sector in Building Norms

5.2.1. FAR/ BAR

a. An FAR of 3.5 will be allowed for the Data Centre Units with an option of an additional purchasable FAR of 1 from RIICO or the respective urban local body as per the case.

b. Following structures will not be considered for the calculation of the FAR subject to the adherence to setback norms and fire safety regulations:

- ▶ Space for storage of DG sets
- ▶ Multi-level DG stacking post obtaining of fire safety NoC
- ▶ Installation of chillers on rooftop
- ▶ Basement parking, storage areas

5.2.2. Parking Norms

The parking area requirement of Data Centre Units will be 1 Equivalent Car space (ECS) per 100 Sqm of the designated office area or per 300 Sqm of total buildup area or 5% of the gross buildup area whichever is lower.

5.2.3. Boundary Wall

Data centre units and parks will be allowed to build boundary walls up to 4 m height with 600 mm height for 'Y' fencing.

5.2.4. Installation of Windows

Data centre units shall be permitted to install a minimal number of windows, provided they comply with building and fire safety regulations and have modern fire-fighting equipment installed on the premises.

5.2.5. Floor to Ceiling Height

There will be no restriction on floor-to-ceiling height, provided there is no mezzanine floor and the overall height regulations, and structural and fire safety regulations are met.

5.2.6. Ground Coverage

Ground coverage of up to 70% shall be allowed for the data centre units.

5.2.7. Prefabricated Data Centre Units

Data centre units shall be allowed to operate as prefabricated, integrated modular solutions or containerized data centre units subject to the adherence of fire and safety regulations.

5.2.8. Partial Completion

Data centre units and parks shall be eligible to get a partial completion certificate from the concerned authority for the purposes of occupancy and putting it to commercial use without fulfilling the minimum completion norms subject to such conditions and prescriptions as may be laid down by the concerned authority.

5.2.9. Multi-level DG Stacking

Installation of diesel generator sets as well as multi-level stacking for such diesel generator sets shall be allowed provided NOC from the Fire Safety Department is obtained.

5.3. Non-Financial Benefits for Data Centre Sector in Electricity Supply

5.3.1. 24x7 Power Supply

Data centre units and parks will be provided with a 24/7 power supply, subject to the requirement of a dedicated power supply feeder being arranged by DC Parks and DC units.

5.3.2. Open Access

Data centre parks and data centre units operating outside the DC parks will have the option of purchasing power through open access at the most competitive rates available in the open market.

5.3.3. Dual-grid lines power supply

A dual power grid network will be allowed as and where possible, to the data centre parks and units from two independent substations to adhere to international standards of redundancy. 100% cost of one of the grids (the lower of the two) shall be reimbursed to the data centre park, while the cost of the other grid shall be borne by the data centre park/ unit.

5.3.4. Cross Subsidy Surcharge (CSS)

The cross-subsidy surcharge applicable in the first year of a DC Unit starting commercial operation shall be brought down progressively over 5 years to a maximum of 20% of its opening level.

5.3.5. Distribution License

DC park developers/ operators shall be eligible to seek a license for power distribution and consumption within the DC park as per regulations issued by REPC in this regard from time to time.

5.3.6. Deemed Franchisee Status

DC units will be allowed to obtain Deemed Franchisee Status to facilitate sub-metering of power supply to in-house customers.

5.3.7. Banking Charges

Banking of energy in every financial year shall be permitted, subject to verification by the officials of the concerned State Distribution Company as per banking provisions. Regulations in force at the time of commissioning of a DC Unit will be applicable for 25 years to such a unit. DC Industry shall be freely permitted to import renewable energy from outside the state and avail banking facilities in the respective states.

5.3.8. Augmentation of Power Supply

DISCOMs depending upon the technical conditions of the distribution system may allow augmentation of supply of power (in MVA) to DC Parks/ Units above the permissible/ contracted load for that voltage level as prescribed in the supply code.

5.4. Other Benefits

5.4.1. Essential Services

The Data Centre sector shall be classified under the Essential Services and Maintenance Act (ESMA) as an essential service provider.

5.4.2. 24X7 Operation

Data centre units will be allowed to operate 24/7 and employment for women across all three shifts, provided the employer implements the necessary safety and security measures to ensure the safety of women employees.

5.4.3. Self-Certification

Data centre units and data centre parks will be permitted under the Self-Certification Scheme related to labour laws introduced by the Factory and Boilers Inspection Department of Govt. of Rajasthan vide Notification dated F3(1) Legal/F&B/05/3043 dated 25.03.2006 read with the notification number F3(1) Legal/F&B/05/648 dated 27.05.2016 subject to comply with the conditions mentioned therein and also read with the provisions of the Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by certain Establishments) Amendment Act, 2014 (Act No. 33 of 2014).

5.4.4. Water Supply

For Data Centre Units within the RIICO Industrial Area, the RIICO will provide a continuous water supply for cooling purposes. In addition, water treatment plants shall be set up by the DC unit.

5.5. Incentives for Data Centre Parks

5.5.1. Data Centre Park developers will be eligible for the benefits as mentioned under the Private Industrial Park Scheme 2025.

5.5.2. Data Centre Park developer will be liable to develop the following mandatory common facilities instead of all the common facilities mentioned in Private Industrial Park Scheme 2025:

- a. Compound Wall & Entrance Gate
- b. 24x7 public safety infrastructure such as CCTV Surveillance
- c. Asphalt Road/ Cement Concrete Road inside Data Centre Park.
- d. Storm water drainage system
- e. Rainwater harvesting system
- f. Water and Power supply and their distribution network
- g. Communication and Internet network
- h. Firefighting Infrastructure
- i. Any other infrastructure specifically required for the smooth functioning of the Data Centre Park and as approved by the PAC.

6. Administration

The state establishes regulations and frameworks to ensure the implementation of the Rajasthan Data Centre Policy 2025 across all departments.

6.1. Implementation and Administration

All the related Departments shall implement the 'Rajasthan Data Centre Policy 2025'. The Industries & Commerce Department, Government of Rajasthan shall act as the nodal department for the implementation, coordination, and monitoring of this policy.

6.2. Interpretation of Policy

Any matter pertaining to the interpretation of any clause of this policy shall be referred to the Project Approval Committee. The decision of PAC in such matters shall be final.

6.3. Review of the Policy

The Government reserves the right to review, revise and/ or modify this policy in full or in part, prospectively as and required.

6.4. Institutional Mechanism

Following is the institutional mechanism to ensure the implementation of the Rajasthan Data Centre Policy 2025 policy among all stakeholders while ensuring the right checks and balances.

6.4.1. Project Evaluation Committee (PEC)

'Project Evaluation Committee' comprising 8 members shall evaluate the proposal received physically or through the RajNivesh portal applying for benefits under this policy. Detailed guidelines regarding this provision will be separately notified.

The majority of the total number of members of the Project Evaluation Committee shall constitute the quorum at its meetings.

Project Evaluation Committee (PEC)	
Additional Commissioner - I Department of Commerce and Industries	Chairman
Financial Advisor Department of Commerce and Industries	Member
Joint Legal Remembrancer Department of Commerce and Industries	Member
DGM 1 (Investment Promotion) Investment and NRIs (BIP)	Member
DGM 2 (Investment Promotion) Investment and NRIs (BIP)	Member
Technical Director (Data Centre) DoIT&C	Member
Director (Technical)	Member

Project Evaluation Committee (PEC)	
RISL	
Officer in charge of the Investment Cell RIICO	Member
Officer in charge of Business Promotion Cell RIICO	Member
Officer in Charge (Data Centre Sector) Department of Commerce and Industries	Member Secretary

6.4.1.1. Project Approval Committee (PAC)

A six-member 'Project Approval Committee' shall have jurisdiction for approving or rejecting the applications of all enterprises applying for benefits under this policy. The decision of the Project Approval Committee shall be final. Detailed guidelines regarding this provision are to be separately notified.

The majority of the total number of members of the Project Approval Committee shall constitute the quorum at its meetings.

Project Approval Committee (PAC)	
ACS/ Principal Secretary Industries	Chairman
Secretary Finance (Revenue) or any nominee of the Finance Department not below the rank of Joint Secretary	Member
Commissioner DoIT&C	Member
Commissioner Investment & NRIs (BIP)	Member
MD RIICO	Member
Commissioner Department of Commerce and Industries	Member Secretary

6.5. Application Process

The RajNivesh portal, managed by the Bureau of Investment Promotion (BIP), offers a single-point digital interface that facilitates time-bound clearances for investment-related processes. All information related to investments, clearances, approvals, industrial land and plot availability, etc is presented on the RajNivesh portal. RajNivesh portal will facilitate all the applications.

6.5.1. Application Submission

The applicant shall apply through submission of a physical application or RajNivesh Portal for clearances and approvals for benefits & incentives under this policy.

6.5.2. Application Evaluation

The Project Evaluation Committee will evaluate the DPR, and other requisite documents submitted physically or through the RajNivesh portal and submit its recommendations to the Project Approval Committee within 60 days from the date of receipt of the application.

The Project Evaluation Committee may ask the applicant to appear before it to resolve its queries.

6.5.3. Application Approval

The Project Approval Committee will evaluate the project based on recommendations of the Project Evaluation Committee and DPR and will:

- a. Approve or reject the application of the project within 60 days from the date of receiving the recommendations of the Project Evaluation Committee.
- b. In case of approving the project, the Project Approval Committee will issue a Letter of Approval to the applicant.
- c. Project Approval Committee may ask the applicant to appear before it to resolve its queries.

7. Terms and Conditions

This policy clearly lays out different provisions and terms and conditions that need to be followed and clearly outlines the rights, responsibilities, and limitations of all the parties involved.

7.1. Phasing and Telescoping

7.1.1. Enterprises are permitted to phase their investments, provided that the minimum investment size for each phase exceeds INR 25 crores with a maximum of three phases allowed.

7.1.2. For Enterprises making an initial phase (Phase-1) investment as part of their total investment commitment within the operative period of this Policy, incentives will be disbursed according to the slabs defined under ACI for the Phase-1 investment amount.

7.1.3. When the Enterprise proceeds with subsequent investments to fulfil the remaining portion of its total commitment, it shall receive benefits based on the slab corresponding to the cumulative actual investment, applicable for the remaining approved period under this policy. If this cumulative investment results in an upgraded slab, the Enterprise will be entitled to receive benefits under the upgraded slab. These benefits will accrue to the investments made prior to meeting the eligibility criteria for the higher slab. This provision applies to all investments—whether new or expansions—made during the operative period of this policy.

7.1.4. Any phased investment beyond the operative period of the Policy shall be eligible for benefits under this policy for an additional 2 years post the Policy's operative period. This is provided that at least 50% of the total investment was made during operative period of this policy or within 2 years from grant of the LoA.

7.2. Transfer of Business

When the ownership of a unit of an Enterprise availing benefit of the Policy is entirely transferred in any manner, then the remaining benefits of such unit under the Policy, if any, shall be transferred to the transferee Enterprise on fulfilment of any statutory levy.

7.2.1. Application for Transfer

For availing such remaining benefits, the transferee Enterprise shall submit a duly completed application as part of the attached forms and manner as may be prescribed, to the Member Secretary of the PAC along with proof of transfer of ownership of unit and original Entitlement Certificate(s) issued to the transferor Enterprise, within ninety days of such transfer.

7.2.2. Processing of Transfer Application

The Member Secretary of the PAC shall register the application and place the completed application before the PAC within forty-five days from the receipt of the application unless specifically extended for reasons to be recorded in writing.

Where the application has been filed beyond the time period as provided in Section 7.4.1 the PAC having been satisfied with the genuineness of cause of delay may condone the delay in filing of the application from the prescribed date of application.

7.2.3. Approval of Transfer

In case the committee approves the transfer of ownership, the Member Secretary shall amend the entitlement certificate(s) by making an endorsement in the said certificate(s) as under; "The benefit under this certificate is hereby transferred to M/s, and the said Enterprise is entitled to avail the benefits mentioned in this certificate for a period from to"

After such endorsement, the Member Secretary shall forward it to all concerned immediately but not later than fifteen days from the date of the decision taken by the committee in its meeting, unless specifically extended for reasons to be recorded in writing.

7.2.4. Rejection of Transfer

Where the PAC is of the opinion that the transferee Enterprise is not eligible to avail the remaining benefits of the Policy, it shall provide an opportunity of being heard to such Enterprise and shall record the reasons of rejection. The decision of the Committee shall be communicated by the Member Secretary of the PAC to the Enterprise, and all concerned immediately but not later than thirty days from the date of decision taken by the committee in its meeting, unless specifically extended for reasons to be recorded in writing.

7.3. Brownfield Unit/ Expansion

7.3.1. Exemption on Stamp Duty & CLU

Exemptions from stamp duty & land conversion charges will be provided on the additional stamp duty & conversion charges payable for the additional land purchased or leased for the expansion, for the applicable incentive period.

7.3.2. Exemption on Electricity Duty

Exemptions will be granted on the additional electricity load sanctioned for expansion-related investments, for the applicable incentive period.

7.4. Transition

7.4.1. Eligibility

Existing Data Centre enterprises fulfilling the criteria of minimum installed capacity of 2MW and EFCI commitment of over INR 50 Cr have the option to continue to avail eligible benefits under the RIPS 2022 regime or switch to this policy for availing benefits. Under this option, all incentives will be given under this policy for the remaining duration as provided in this policy, however, the starting date shall be reckoned from the date of approval or reimbursement under RIPS 2022, as the case may be.

7.4.2. Transfer Option

- a. Eligible enterprises that have already invested and received benefits under RIPS 2022 will have the option to switch to the incentives provided under this policy.
- b. Eligible enterprises that applied under RIPS 2022 and were approved for, but did not avail of, the benefits will also have the option to transition to this policy.

7.5. Disbursement of Incentives

All the incentives for the applicant shall be linked with the development of the project as per the timelines mentioned in the DPR and approved by the Project Approval Committee as a whole or in respective phases in case the project is being developed in phases.

7.5.1. All the incentives for the project shall be linked with the development of the project as a whole or in respective phases in case the project is being developed in phases, as per the timelines mentioned in the DPR and approved by the PAC.

7.5.2. In case of cost escalation for any reason whatsoever, the quantum of incentives will remain the same as approved and mentioned in the LoA issued by the PAC.

7.5.3. The developer availing incentive under this scheme cannot avail incentive of any other state policy/ scheme unless specified otherwise.

7.5.4. The subsidies/ incentives provided under this policy will be in addition to any other benefits available under any Government of India scheme/ policy.

7.5.5. The total amount of subsidy for the total period of benefit shall not exceed 125% of EFCI or as approved by the PAC.

Detailed step by step guidelines for availing incentives will be issued separately.

7.5.6. Capital Subsidy

Capital subsidy to the units shall be paid in ten equal instalments.

7.5.7. Interest Subsidy

a. The interest subsidy provided under this policy will be in addition to any other incentives available under any Government of India (GoI) scheme subject to the enterprise must be paid a minimum of 2% of the interest after the GoI interest rate subsidy. However, enterprises taking benefit of interest rate subsidy under any other scheme or package of the State Government shall not be eligible for benefits under this policy.

b. This subsidy shall only cover the interest charged on the disbursed amount by the Financial Institution or Bank. However, Penal interest, outstanding interest or other penal charges shall not be reimbursed.

c. If the loan is transferred to another State Financial Institution, Financial Institution, Bank recognized by the Reserve Bank of India, or RBI recognised non-resident entities having a Loan Registration Number (LRN) the subsidy may continue for the remaining period, subject to approval by the PAC.

d. The interest subsidy shall be available for up to five years only even if the loan tenure is of a higher period.

e. The interest subsidy shall only be provided to the enterprises that consistently pay their EMIs. If an enterprise defaults on payments of EMI, it will lose the interest subsidy henceforth. The interest rate subsidy shall only be resumed after the unpaid EMIs have been paid and the loan account is regular.

7.6. Other Terms and Conditions

7.6.1. All Greenfield and Expansion Data Centre enterprises will be eligible for incentives according to the provisions of 'Rajasthan Data Centre Policy 2025'.

7.6.2. Data centres for captive use are not covered in this policy.

7.6.3. Enterprises benefiting from this policy must comply with all statutory laws and regulations of the State of Rajasthan that apply to them. Non-compliance may result in the cancellation or withdrawal of these benefits.

7.6.4. If a data centre enterprise receives any subsidy under another Policy or scheme of the Government of Rajasthan; from any undertaking, Corporation, or instrumentally owned or controlled by the State Government; or under any state law for investments made in fixed assets, the total subsidy payable under this policy will be reduced by the amount of the subsidy already received unless allowed otherwise. The enterprise must inform the authority disbursing the subsidy under this policy about the details of any such subsidy received.

7.6.5. If it is found that an enterprise benefiting from this policy is ineligible or has misrepresented facts, the matter will be referred to the PAC. The PAC will provide the enterprise with an opportunity to be heard. If the PAC concludes that the enterprise is not entitled to get the benefits, it may withdraw such benefits, with reasons documented in writing. The Member Secretary of the PAC will communicate the Committee's decision to all relevant parties. In the event of benefits being withdrawn, the PAC may order the recovery of benefits already availed, with interest charged at 18% per annum.

7.6.6. In the event of a breach of any condition outlined in this policy, the PAC will withdraw or discontinue the benefits availed under this policy. Following the PAC's recommendation, the concerned Department will recover the benefits from the enterprise, along with interest at 18% per annum from the date the benefits were first availed.

7.6.7. Enterprises receiving subsidies under this policy must, from the date of notification by the State Government, maintain records of sales, and purchases in digital form (online in a computer) or in a manner specified and also provide access to these records to the PEC/ PAC.

7.6.8. If it is discovered that a Data Centre enterprise has wrongly or excessively availed benefits under this Policy, or under previous policies like the RIPS 2022, those benefits will be disallowed. The enterprise, along with any other unit or branch, must repay the wrongly or excessively received benefits, with interest at 18% per annum.

7.6.9. Benefits under the Policy can only be availed if the enterprise has effective consent to establish and operate, from the Central/ Rajasthan State Pollution Control Board for the relevant periods if required as per the nature of the enterprise.

7.6.10. The PAC has the authority to rectify any apparent mistake in its orders, either Suo-motu or upon receiving an application. This includes orders that were valid when issued but

later rendered invalid due to amendments to this policy with retrospective effect or due to a judgment from the Hon'ble Supreme Court or the Hon'ble Rajasthan High Court. Rectification applications must be submitted within three years of the order in question.

7.6.11. An application for rectification should be submitted to the Member Secretary of the PAC, who will present it to the Committee for coordination. No rectification order can be issued after four years from the date of the original order.

7.6.12. The State Empowered Committee constituted under section 3 of the Rajasthan Enterprises Single Window Enabling and Clearance Act, 2011, is authorized to hear and decide appeals against orders of the Project Approval Committee. Appeals must be filed within 90 days of the decision being communicated.

7.6.13. To facilitate electronic service delivery under the Policy, and notwithstanding any contradictory provisions within the Policy, the Government Department responsible for granting benefits or issuing Letter of Approval may require that applications, communications, orders, certificates, or disbursements related to Policy benefits be made or issued electronically. To support this e-governance initiative, the Government Department may adjust the procedures outlined in the Policy, if these adjustments are consistent with and compatible with electronic forms of communication and payment. Such changes will not invalidate any actions solely because they differ from the original procedural provisions of the Policy.

7.6.14. Enterprises availing benefits under this policy are subject to the conditions, procedures, instructions, clarifications, or amendments issued periodically under this policy.

By the order of the Governor,

Mahipal Kumar,
Deputy Secretary To Government.

राज्य केन्द्रीय मुद्रणालय, जयपुर।